

## **complaint**

Mrs J complains that Provident Personal Credit Limited lent irresponsibly to her instead of offering help with her financial difficulties.

## **background**

Mrs J says that she borrowed from Provident but, when the loans became unaffordable, Provident did not provide any help and simply offered her another loan. She would like Provident to refund all the interest she has paid and agree a repayment plan for the remaining debt.

Provident did not accept that it had lent irresponsibly. It said that the information Mrs J gave it, and the way the loans had been conducted, indicated that the loans were affordable. It also said that, at the time the loans were made, Mrs J had not mentioned being in any financial difficulty.

As things were not settled, Mrs J brought her complaint to this service where an adjudicator investigated it. The adjudicator noted that some of the loans Mrs J had been given fell outside the time limits for complaints. But the final four loans could be considered.

From the evidence, the adjudicator was satisfied that the income and expenditure stated by Mrs J supported the loans being affordable. The adjudicator also noted that Mrs J's bank statements for the period did not show a different picture, or indicate that she was juggling other creditors.

Overall, the adjudicator did not recommend that the complaint should succeed. Mrs J did not agree and said, in summary:

- The final loan had consolidated the previous two. She accepts that she gave the wrong income figures for the forms – she included income belonging to her husband, though the outgoings were just hers.
- The Provident agent told her that taking another loan would sort out the arrears and also said that she did not get her commission if there was no payment.
- She also had various meter payments that came out of her account, and should be included in any assessment of her financial situation.
- She has been asking for a Provident manager to visit so that she can be offered some help with a repayment plan, but Provident has not responded.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mrs J has told us that she knew the income information she gave to Provident for her loan applications was overstated. Provident seems to have accepted the information Mrs J gave it – on the face of it, there was no reason not to since Mrs J was a long-established customer with a satisfactory payment record.

The statements for Mrs J's bank account over the relevant period do not indicate that her finances were under strain, or that there were other creditors that could have suggested over-commitment. The income at the time appears consistent with affording the repayments for the loans.

In all the circumstances, I'm not persuaded that Provident lent irresponsibly to Mrs J. I appreciate that her financial circumstances are now such that she will need to enter into repayment arrangements with Provident – Provident says it offered a home visit but was turned down, whereas Mrs J says she asked for a visit but got no response.

Whatever the position on that point, Provident has indicated that it is willing to offer suitable assistance going forward. I would remind it of its duty to deal fairly with Mrs J in the light of her current financial circumstances, when arriving at an affordable repayment arrangement.

**my final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 7 July 2016.

Jane Hingston  
**ombudsman**